

GSA SmartPay® Conference
DoD Travel Card Program
Individually Billed Accounts

DoD Travel Card PMO

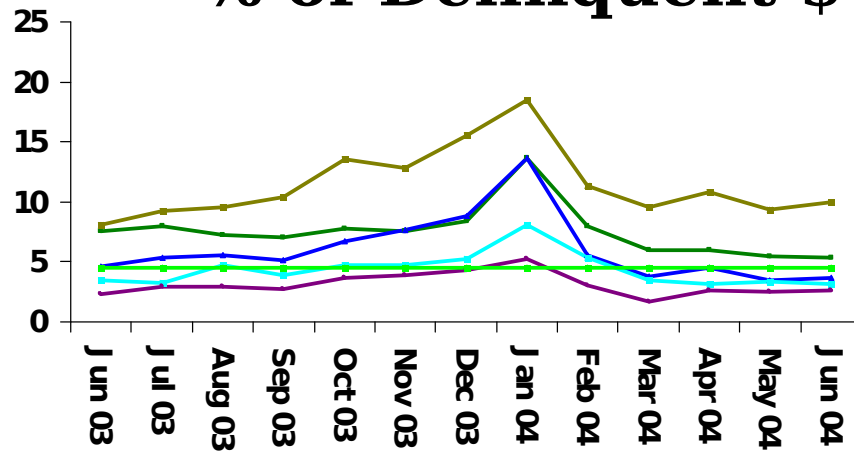
- **Program Facts and Statistics**
- **Benefits**
- **Completed and Pending Actions**
- **Resources**
- **Answers to Frequently Asked Questions**

	FY02	FY03
FY04		
Cardholders	1.3M	1.1M
\$1.1M		
Spend	\$3.7B	\$3.8B
\$3.0B (1-3QFY04)		
Rebates	\$4.7 M	\$7M
\$6.6M (1-3QFY04)		

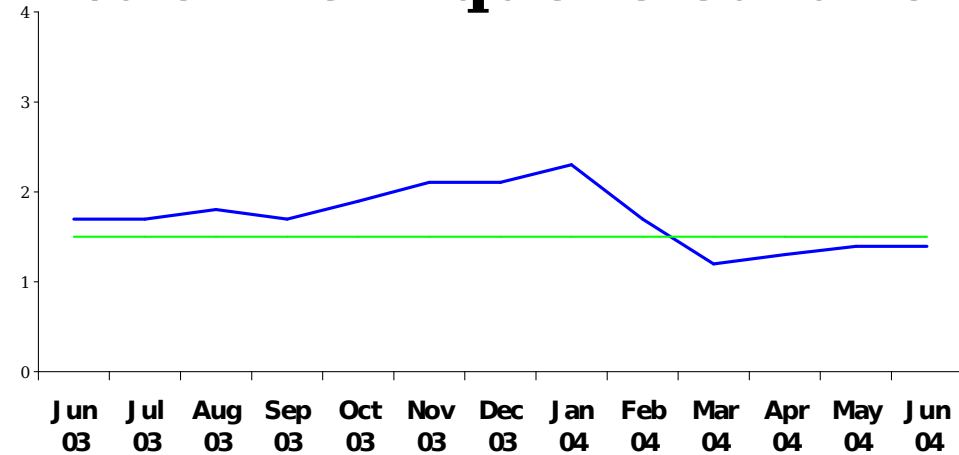
DoD Key Metrics - IBAs



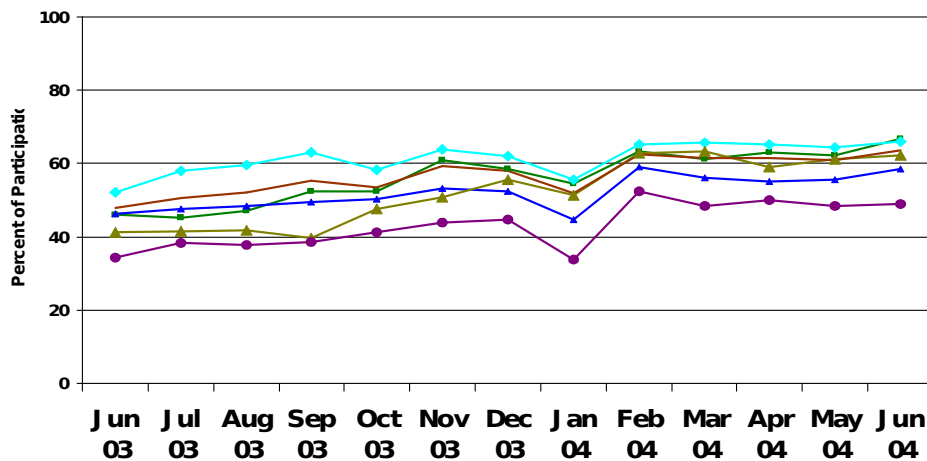
% of Delinquent \$



% of Delinquent Cardholders



Split Disbursement Participation



FY05 metrics to focus on percent of cardholders delinquent and split disbursement participation

Benefits to the Government

- Reduced administrative expense
- No cost means of advancing travel funds
- Access to GSA City Pairs program with estimated savings of over \$1 Billion annually
- Data rich environment for management and business intelligence
- Rebates based on volume of spend
- Tailored task order to meet agency needs

Benefits to the Traveler

- No interest charges
- Extended repayment terms
- Delayed late fees
- Insurance benefits
- No need to use personal funds or credit card(s)

- **Mandatory cardholder and A/OPC training**
- **Comprehensive monthly reviews (accounts and metrics)**
- **Reasonable spend/transaction limits and merchant category code (MCC) block review**
- **Deactivation/cancellation of unused accounts**
- **Regular comparison of separations/retirements**

Recent Changes



- **Implementation of salary offset for civilians**
- **Reinstatement policy for canceled accounts**
 - **New credit check with acceptable score**
 - **\$29 non-reimbursable fee**
 - **Not charged off previously**
 - **No second opportunity**
- **Minimum credit score for issuance of a t**

Issues Pending



- **Creditworthiness**
- **Local Bargaining on new policies**
- **Roll back of credit limits on restricted cards**
- **DTS enhancements / eTravel implementation**
- **Data mining pilot**
- **DoD Standard Training**
- **CBA-related control weaknesses regarding premium travel, duplicate payment of airfare, and misuse**

Creditworthiness



- **Required by Law for DoD Travel Card (FY04 Authorization Act)**
- **Required by Law government-wide (FY04 Omnibus Appropriation)**
- **Draft OMB Guidance Pending**
May require credit checks for CBAs
- **DD Form 2883, Credit Worthiness Evaluation**
 - **implementation policy memo in coordination with OMB**
 - **immediate application for military personnel**
 - **bargaining obligation for civilian personnel**
 - **no Bank involvement**

Bargaining Obligations



- **Salary Offset**
1 Agency remaining
- **Mandatory Split Disbursement**
Navy, Air Force completed
- **Reinstatement fee**
- **Creditworthiness**
minimum cut off score
self certification form

June 2

M

May 2

May 2

Credit Limits on Restricted Cards



- **Restricted cards issued based on low credit score or decline credit check**
- **Card limits previously raised with no end date to lower**
- **Contract provides for temporary increases to meet mission requirements**
- **Lists provided in May 2004 of accounts with increased limits and dates beyond six months**
- **October/November accounts will be rolled back to restricted card levels (\$2K credit line)**
- **Limits can be increased by the APC for up to six**

Training & Tools Available



- **DoD Standard Cardholder Training**
www.dfas.mil

Targeted for September 2004

- **GSA SmartPay® website**
www.gsa.gov/gsasmartpay

- **DoD Travel Regulations**
www.dod.mil/comptroller/fmr

- **Federal Travel Regulations**
www.gsa.gov/travel

- **Bank of America**
www.gsuthd.bankofamerica.com

Frequently Asked Questions

What authority requires that I use a travel card and where does it say so?

Answer: Public Law 105-264 prescribes mandatory use of the travel card.

Volume 9, Chapter 3 of the DoD Financial Management Regulations carries out the requirement and provides the exceptions

Federal Travel Regulation (FTR)

Frequently Asked Questions

What authority requires me to split disburse my travel payments and where does it say so?

Answer: Public Law 107-314, Section 2784a gives DoD the authority to implement split disbursement. Memorandum from the DoD Comptroller dated 23 Apr 03 implements that authority.

For civilian agencies, split disbursement is currently being

Frequently Asked Questions

What if I can't pay my bill because I haven't received my reimbursement?

Answer: Individually billed accounts are the obligation of the cardholder. There is no condition on payment after reimbursement. Accounts not paid after 60 days are suspended. Late fees begin to incur at 75 days (at DoD). However, if the government is responsible for the delay in payment, late fees are reimbursable and the APC can contact the Bank to keep the account from suspending or to reinstate

Frequently Asked Questions

Can I be placed in salary offset without anyone notifying me?

Answer: Public Law 105-264 provides for agencies to provide due process notice to the cardholder before salary offset is initiated.

At DoD, the bank sends a notice for salary offset to the address of record at the 90 day delinquency point - 30 days prior to referral to DFAS for salary offset.

Individuals are responsible to contact the bank when they have a change of address.

The due process obligation is met by

Frequently Asked Questions

What if I prefer to use my own card instead of the Government card?

Answer: Public Law 105-264 prescribes mandatory use because it saves the Government (and taxpayers) money. For example, GSA City Pairs discounts are only available on Government charge cards under the GSA SmartPay® contract.

There are some exemptions from the card and they are noted in FTR 301-51.

Frequently Asked Questions

What if I agree not to ask for a travel advance and use my own card?

Answer: Use of the card is mandated by law. The SmartPay contract with the card issuing Banks were based on assumptions of spend volumes. Allowing individuals to opt out and reduce those volumes could result in a less beneficial program for the government.

Additionally, you would not have access to GSA City Pairs unless you have a Government travel card or a GTR.

Frequently Asked Questions

What if I can prove that I can get a cheaper rate than the GSA City Pairs rate on the internet?

Answer: You may be able to find a cheaper rate than the GSA City Pairs rate, however, there are other benefits to GSA City Pairs, such as a fully refundable ticket if ticket is unused (most other tickets are non-changeable and non-refundable or carry heavy penalties for changes/cancellations) and last seat availability. If you go outside the GSA City Pairs program solely to get a lower

Frequently Asked Questions

What if I can't get a card?

Answer: Individuals who are not eligible for a card, or are exempt from its use, including those whose card was previously cancelled or have poor credit, are eligible for a travel advance. Vol 9, Ch 3, Sections 030302 and 030303 provide for exemptions from mandatory use. Section 030302.A.2.b clarifies that individuals who refuse the card are not exempt from its use, therefore they are **NOT eligible for a travel advance.**

Frequently Asked Questions

Will having a Government travel card hurt my personal credit rating?

Answer: Not unless you don't pay your bill. Travel card providing banks do not report travel card activity to the credit bureaus unless the account charges off (i.e. delinquent amounts over 120 days and not recoverable). Simply having a government travel card will not harm your credit rating.

Frequently Asked Questions

What if I don't want the card because of concern about identity theft?

Answer: The Government travel card is no more vulnerable to identity theft than any other kind of card - in fact, the banks say there is less third-party fraud with the Government travel card than with their other consumer card portfolios. Card issuing banks may not sell or share personal information with entities outside of the SmartPay® program. Both Contract and Government personnel are subject to

Frequently Asked Questions



I don't want to give my Social Security Number in order to get a card -- why can't you use an employee number or passport number instead?

Answer: Under the terms of the USA Patriot Act, Banks are required to obtain personal identifying information, including a Social Security number, in order to open accounts. In addition, credit checks, split disbursement, and other matching information between the card issuing bank and the government

Frequently Asked Questions



You can't require me to provide my Social Security Number. There is no law requiring I provide it.

Answer: That is correct. You can not be required to provide your SSN in order to get a card. However, the bank is not able to open an account without this information.

You can be subject to disciplinary action for not using a card, whether or not you refused to obtain it depending on the

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